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26 May 1967

MEMORANDUM FOR: Ambassador R. W. Komer
VIA : AD/RDW
FROM : Nelson H. Brickham
SUBJECT : Personal Observations

Attached herewith is an informal memorandum summarizing my personal observations, after twenty months in country, concerning the requirements of our situation in Vietnam. It reflects a management philosophy as well as a discussion of our main problems, and is significant only as it contains the analysis, rationale, and more detailed development of thoughts behind the organization proposals recently submitted to you.

REQUIREMENTS OF A MANAGEMENT SYSTEM

A. The management system must provide for development and review of basic strategy (of pacification) and for review and/or modification of strategy and programs corresponding to fundamental changes in the situation or to new opportunities and requirements.

B. The system must address itself to the radical improvement of basic performance in a number of programs, and it must address itself to achievement and preservation of coordination and integration of programs and efforts.

C. The management system must be designed around a highly decentralized command system, which focal command point (Sector/Province) must coordinate and manage highly diverse and technically specialized programs. However, this is done in a series (44) of largely repetitive situations.

D. The system must therefore provide clear definition and communication of goals; it must be sensitive to progress towards those goals and to deviations from programs and required levels of performance, and it must be responsive to control, redirection and corrective action for correction of inadequate performance and coordination, and corresponding to changing situations and to problems.

A. Basic National Goals and Strategy of Pacification.

Basic goals and pacification strategy, as well as program requirements in terms of this strategy, are amply and adequately set forth in a series of documents, notably the Plain Report, the Roles and Missions Study Group Report, planning documents issued in November 1966 for the RD 1967 Planning Conferences, and the 1967 Campaign Plan.

Programs of the several agencies are responsive to and in accordance with the basic strategy. A number of these programs were developed and in existence prior to the drafting of the above basic documents, and as a matter of fact, were contributive to their preparation.

The basic programs, especially in the intelligence and action areas, have all demonstrated their usefulness and soundness and do not require modification. They do require coordination, integration, improvement and intensification. These are management and operating problems (as opposed to planning and strategy problems).

That basic strategy and programs are both comprehensive and sound does not argue against the fact that modifications can and should be made, as we learn new facts, or as new problems emerge.

For example, there is too little realization of the impact of conventional military operations on the "infrastructure" and on the guerrilla war. Documents captured earlier this year permitted the first real insight in this facet of the war, and demonstrated significant degradation of the VC infrastructure, the VC guerrilla capability, the loss of support from the villages and hamlets, an increasingly difficult food situation, etc. There have been only two comprehensive analyses of these trends (one MACV and one OSA), and their obvious lessons in terms of military operations, military/civil operations, new requirements for attack on infrastructure, have not been drawn, or incorporated into pacification strategy, except in a piecemeal fashion.

Likewise, new problems have been recognized or, while foreseen, have mushroomed to such an extent as to outstrip all capabilities for handling them. An outstanding example of such problems is that of disposal of VC after they are captured. The war is a run on a treadmill as long as existing and totally inadequate process and facilities for detention and neutralization of captured VC remain unchanged. This is an example of a problem area requiring very highest level attention and solution.

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New opportunities, new insights and new problems must be incorporated into basic strategy and basic programs, and any "general staff for pacification" must be enabled to recognize and respond to such opportunities, insights and problems.

B. Coordination and Performance.

The main problem in Vietnam is one of implementation and coordination of the various programs, civil and military. Few if any of the programs are new. If each program is implemented with full effectiveness, and if all of them pull together, in concert, then we could expect quite striking advances in relatively brief time periods.

The first necessity is coordination and integration, in Province, on the American side; until we achieve that, it is difficult to talk cooperation and integration on the Vietnamese side. This need for American coordination and improved effectiveness of all elements of the American Province Team has been constant refrain, in various reports and memoranda, going back to 1963 (and earlier). Various experiments have been made in the effort to create coordinated Province Team approaches, but they have, by and large, not succeeded, or have

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succeeded in only one or a few Provinces. The OCO structure has made some progress in certain areas, but it has been disappointingly slow.

There has been highly varying performance, or program effectiveness, of the various agencies. This could be illustrated a dozen different ways. The Provinces have not been adequately staffed, nor in many cases can it be said that the people involved have been doing their jobs. A Refugee officer arrives at a District town, kicks bags of rice off of his helicopter and then disappears. A PFF Company is given an occasional visit by a so-called advisor. A Public Safety man is supposed to set up a detention camp: he arrives at District headquarters in the company of a regional OCO staff officer, looks around for fifteen minutes and disappears, never to be seen again, and the U.S. Division has to set up and man the camp for him. ARVN and Sector will have nothing but contempt for Police intelligence. Certain officers of some agencies spend as much time in Saigon, or at least out of Province, as possible; many of them don't budge out of their Province capitals into the Districts and villages. A MACV Senior Advisor will censor reports so as to present a rosy picture (if ARVN was as good as he says it is, we shouldn't have a war). One element of OCO will produce a major staff study without coordination or reference to the line unit concerned, which study may be radically incorrect. Too many officers, of all agencies, betray an abysmal ignorance of programs of their colleagues, programs which they are supposed to be supporting, or from which they could gain support for their own operations.

There are the numerous "private wars" going on. One person pushes one program, which may be in radical conflict with programs pushed by others, either in his own agency or in another agency. A combat unit may ignore "infrastructure" and go around looking for big main force enemy which they never or rarely find. (This is the "IV Corps Syndrome", but American units have been known to do the same.) Province Chiefs, and Sector will force Police to ignore infrastructure and concentrate exclusively on military OD sightings. Combat units both ARVN and American, will operate in Provinces with no reference to Sector, and therefore with no reference to or exploitation of locally held tactical intelligence, and of course, without taking advantage of potential local assistance. Higher command levels will evacuate important prisoners before local exploitation, especially of "infrastructure" information, can be done. Each Corps (Region) and each Province develops its own "war lord" psychology, going off in its own direction, not necessarily in accordance with basic programs and mission.

There are numerous grave weaknesses. Province and Sector will misuse PRU units, committing them to static defense or to conventional military use in a conventional fashion. The Police, and Police Special Branch will not, except in a few situations, be incorporated into RD planning, so that they are unable to program against requirements. OCO Province Reps and Sector Advisors will "forget" to get inputs from Special Branch Advisors for the Special Joint Reports.

C. Decentralized Decision Making.

It is totally unfeasible to exercise tactical control of Province and pacification operations, even with a complete real time communications systems. This implies tactical control decentralization to Corps (Region) and Sector (Province) in accordance with orthodox military and civil organizational command lines.

This places a high premium on the individual orientation, initiative and aggressiveness, in the first instance, of Sector (Province) personnel.

With such far-flung decentralization, however, and recognizing (a) the traditional weaknesses of traditional information systems, (b) the diverse and centripetal tendencies and pressures, (c) the necessity for blending together a wide range of diverse technical specialties, (d) the necessities to monitor progress, identify problems and initiate corrective action, and (e) the need in its own right for large amounts of various types of information, the necessity for detailed central knowledge and a high degree of program control at Saigon level becomes evident.

D. Reports and Information Systems.

"Modern corporate experience has demonstrated that management of large and diverse enterprises requires a wide range of facts to arrive at good decisions. Accordingly, the benefits of a comprehensive reporting system are many. It aids decentralization without loss of control and saves executives' time by locating and anticipating problems, thus enabling them to concentrate more on finding solutions and preventing adverse effects. It also spreads scarce executive talent over a larger number of critical areas."

Centrally designed and controlled reporting and information systems are therefore becoming more and more prominent in management literature. This trend towards centralized design and processing has been given enormous impetus by the advent of various automated data processing systems, which have a

greatly expanded capacity for storing, manipulating and reproducing information, at a greatly increased processing speed.

Automatic data processing potential greatly modifies (increases) substantive raw information requirements at a central processing point. This process is underway in both substantive traditional military intelligence collation functions and also in the infrastructure area, at the CIOV automatic data processing center. Therefore, while previously there was no substantive requirement for raw information transmitted to Saigon (for other than management spot checking purposes), now there is.

Proper design of the management reporting and information system is crucial. This is true not only in terms of information flow upwards, but also in terms of the feedback to echelons of the system and to the Province operations.

The reporting system should be:

-Designed to elicit the kind of performance desired, by identifying areas that top command believes are of priority importance and that are subject to continuing scrutiny. So designed as to focus responsibilities and induce self-initiated corrective action.

-Designed to serve multiple purposes--i.e., service requirements of several management echelons simultaneously, so as to reduce the number of disparate, excessive and probably uncoordinated requirements originating in various echelons. Reports system design must be realistic and not overburdensome, violation of which destroys either the reporting system or the officers' effectiveness or both. A rapidly rising marginal cost of information must be kept in mind.

-Designed so as to surface, directly or indirectly, key problem areas requiring top management attention--misunderstandings, malcoordination, et cetera.

-Designed so as to elicit certain key facts relative to and reflective of an officer's performance, which may prove grounds for either corrective or possibly later disciplinary action.

The OSA field reporting system was designed expressly with the above considerations in mind. The following decisions were made:

- a. ^{is a} Its Monthly periodic report. This keys the report in with Liaison Service reporting cycles. A month is short enough time to permit meaningful feedback and corrective action, is long enough time to have sufficient activity and accomplishments to include, and is not so long a period of time as to have too much to report.
- b. The report combines narrative and statistical reporting. This report is a comprehensive one, reflecting recurring requirements from Washington, from Saigon and from Regions. It combines both objective and factual, and subjective reporting.
- c. The report reflects activities, understanding, and thinking and writing ability. It is designed as a "projective test", so to speak. The relatively few officers who (a) perform poorly but write well, or (b) perform well but write poorly are rather easily and rapidly discovered and identified.
- d. The report focusses on basic program performance and on key areas of management importance and interest.
- e. The report includes items and statistical reporting, which, correlated with other factors, yield good clues as to program progress, as to officers performance as well as to performance and functioning of related systems--first-echelon supervision, for example, and American team cooperation.
- f. The report provides a factual and subjective basis for evaluation and investigation.

In addition to the OSA monthly management report, there are a variety of other reports required, (most of which however are prepared by the Liaison Service) and are submitted as attachments to the basic monthly report. Of special importance are the so-called spot reports which form the basis for bi-weekly reports to Washington and for feedback dissemination to Province. This latter feature--publication and feedback to Region and Province, is exceptionally important, because it reflects and recognizes the Province Officer's

own activities, it tells him what other people are doing, identifies to him important (and reportable) activities, and induces a competitive and emulative spirit.

There are of course many more facets to the overall Province reporting problem than are encompassed by the USA reporting system. Sector has its reports, daily, weekly and otherwise; AID and JUSPAO have theirs, which have been partially integrated in the OCO modification of the Special Joint Report (monthly).

The modifications made by OCO in the Special Joint Report were not too helpful, and as a matter of fact, were a step backwards. The previous SJR was a report requiring input from all agencies, and carried signatures of all agencies, reducing opportunity for slanted and distorted reporting. OCO reduced the signatories to two, the OCO Province Representative and the Senior Sector Advisor. The net effect has been that in a number of instances, an input is no longer requested of the PSB advisor, nor perhaps may he even see the report. This means that his programs are reported and commented upon by someone who knows relatively little about them, nor does our officer know what is being said. The second fault of the new OCO report is its preoccupation, in numerous statistical appendices, with trivia. This is a carryover of the USAID planning and programming system.

One grave problem which a management reporting system must address is that of distortion and cover-up. This has been described by one officer as follows: "... The whole current system of reporting statistics that prove either to Congress or to the American public or the President that successive generations of American officials in Vietnam are more successful than their predecessors -- these things are just getting in the way of solving the problem Then you have a group of Americans in the field, the majority of whom serve a one-year tour. They go through the honeymoon phase in which they try to see everything good about their counterpart and about the situation and report it thus. Then they go through a period of disillusionment, in which they realize that nothing has been accomplished, but by this time they have become the victims of their own past reports and they have to maintain the fiction. Ultimately they go out of there very discouraged and probably very unhappy with their own performance because about the time they become knowledgeable enough to really do something they are on their way home and have no desire to hurt their own professional career."

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In addition to management information systems (handled differently by different agencies), there are numerous substantive sub-systems now in existence in Vietnam. Police Special Branch collection and processing of information is one such sub-system. The PIC system is a separate but related sub-system. There are various military intelligence sub-systems. The military and OSA infrastructure sub-systems are gradually being brought together, but tactical intelligence sub-systems are poorly integrated. Prisoner exploitation sub-systems have been poorly integrated (hopefully now resolved). No effective attack has yet been devised for measuring impact on and degradation of VC infrastructure. The Chieu Hoi exploitation and reporting sub-system leaves much to be desired. Information feedback to Province of captured documents and prisoner exploitation by OSA is well established, but is a problem which has only recently been addressed by MACV. *feedback*

Some of these sub-systems are clearly and obviously autonomous and integral. Others however, should just as clearly and obviously be closely related and integrated, which they are not. Others yet should exist and don't.

Complementary to a management information system, there must be a top management investigative or inspection function. This function must be empowered to conduct or direct routine and special investigations and reviews, both announced and unannounced. It must be empowered to impound files for special investigations, and conduct private as well as joint interviews. This is not nor should it be allowed to gain the color, of hostile or necessarily critical investigation. One major purpose is to give the necessary human and intuitive feel and content, which puts flesh and blood around the statistical and narrative reports.

The investigative function, in its routine visitation aspect, can be instructional and "orientational", in terms of coordination and program functioning (but necessarily must avoid command direction)

E. Management System Design.

There are several different organizational solutions at the Mission level responsive to the specifications and discussion above. These different solutions are not necessarily alternative; they can be regarded as transitional, one being a step in evolution to the next.

A minimum solution would be similar to that in operation in the Ford Motor Company. In this, Ford formed an "operating committee" consisting of all functional Division chiefs, which meets once a week. A comprehensive statistical report--between 50 to 60 pages in length--is presented, going into all factors of production, market, costs, inventories, and trends. The statistical and narrative presentation is designed to highlight and focus attention on operating conditions, on changes, and on indicators, of problem areas. Only three full time officers are required for the preparation and presentation of this report (after the system was installed). It required complete systems design for the reports content, information system and computer back-up.

Our problem is substantially different, but is amenable to the same approach (without its totally statistical content). Under this concept a working committee would be formed, under the chairmanship of Mr. Komer, composed of Chief, OSA; J-2; J-3; Chief, OCO; AD/RDW; Chief RDSB; AD/FSD; Chief, OSA/ID. The committee probably should meet bi-weekly. This would constitute the "board of directors" for pacification.

A small and select reports group, working with raw Province (Sector) input direct from the various agencies but also special reports obtained from the agencies, would systematically cover a series of selected topics, identified as reflective of key management problem areas. Province staffing by the various agencies would be one such topic. Prisoner and Chieu Hoi accession and disposition would be another. RD Team locations, actions and casualties would be another, as would quantitative and qualitative description of intelligence reports accessions, PRU operations, et cetera. Province inspection reports would be presented.

Such a system could be inaugurated almost immediately, based on input of existing information flow from the various agencies (raw traffic). A reports group of an estimated four officers, drawn from MACV, OSA and Mr. Komer's staff could be formed with little difficulty. One of them should be a professional information system analyst as well as a statistical expert (from either MACV or USAID MID).

This group, under guidance of the "board of directors" would begin immediately a review of reporting from all agencies, and undertake immediately an information system design,

per the discussion above. Or, alternatively, the Reports Group could begin immediately functioning in the staff capacity, and two professional consultants in information analysis could be brought from Washington, for a comprehensive study. Such a study should in no circumstances require more than three months time.

A second solution would use the first as a core, or nucleus, but would add the Program Manager concept. The Program Manager concept has been developed in both industry and government as a method for coordinating, stimulating and focussing diverse elements and activities of different organizational components, from top-management level. It provides centralized planning, direction and supervision of the specific programs, while at the same time preserving the line of command integrity of each separate organizational component. While operating with and through regular line of command, the concept permits direct contact with the various action elements, within the context of the program, thus short-circuiting numerous reporting and managerial "filters".

In industry and commerce, these officers are known as "Product Managers" and in appropriate circumstances this approach has proved to be highly effective and valuable. In Government (e.g., as in the new Department of State reorganization, and as in the military) they are known as either Program Managers or Project Officers, depending upon the echelon or level at which they are functioning. (Additional information on Product Manager concept is available if desired).